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SECURITY INFORMATION

Attachment (1):

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INTERNAL USE ONLYIN THE PEOPLE'S COURT OF THE CITY OF HARBIN

- Plaintiff: Teltoft, Yaroslav Marianovich, national of the Polish People's Republic, 62 years of age, residing at No. 33, apartment 4, Pekarnaya Ulitsa, Harbin-Pristan.
- Defendant: Directorate of the Society of USSR Citizens in Harbin and Environs, in the person of the chief of the Economic Sector of the Administration, citizen Shutov, Anatoli Vasilievich, residing at No. ____ Bolshoi Pr., Novii Gorod.
- Petition: On 18 Apr 53 I concluded with defendant a preliminary agreement under the terms of which I was to sell to the defendant 51% of the equipment of the Khin Sin Tse Tse Kun Chan [Tse Tse Kun Chan = Chi Ch'i Kung Chang = Machine Works] together with materials and semi-manufactured items as set out in the attached list, all of which foregoing were my property, and to hand over to the defendant under the same agreement to be used by him as rented property 49% of the equipment of the said machine works. According to par 2 of the said agreement, the agreement was to become effective upon approval by the authorities, whereupon I was obligated to deliver to the defendant all that which he had purchased.

In early May of this year [1953] Shutov, A. V., Director of the Economic Sector of the Directorate of the Society of USSR Citizens, informed me that he had been informed orally by the authorities that the agreement would be approved shortly, and he therefore requested me to deliver to him the machine shop and other property. Placing full faith in him as one who enjoyed the trust of the Society of USSR Citizens, I complied with his request on 21 May of this year [1953] and delivered to the Directorate of the Society of USSR Citizens all that which is set out in the sale agreement on 18 Apr 53. On 15 May of this year [1953] I received from citizen Shutov the sum of JMP\$121 million as part payment.

To this date the authorities have not approved the agreement, and therefore citizen Shutov mislead me. Moreover because the agreement has not been approved by the authorities, no one is paying to me the sums due to me under the agreement. Meanwhile the machine shop and other properties are being operated and in addition, by instructions of citizen Shutov, not only are materials belonging to me being sold, but also the inventory [Taw and semi-finished materials] of the machine shop. Furthermore the equipment of the machine shop is being moved elsewhere, where I do not know, and certain personal property of mine in the machine shop not covered by the agreement is being used and I am unable to recover it from the defendant.

Therefore I present the following requests:

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1. Recognize the preliminary agreement concluded between the plaintiff and the defendant on 18 Apr 53.
2. Return [to the plaintiff] the equipment of the Khan Sin Tse Tse Kun Chan Bashkirov and Company Machine Shop.
3. Compel the defendant to return to the machine shop all properties which have been removed therefrom.
4. Compel the defendant to cease the unauthorized use of certain possessions of the plaintiff.
5. Compel the defendant to return to the plaintiff the sums which the defendant has realized from the sales of materials and inventory, and if the prices realized on the sale of such articles do not equal fair prices, to add the necessary sums to the amount to be paid to the plaintiff.
6. Compel the defendant to pay to the plaintiff damages based upon the dishonest behavior of the defendant.

Upon the fulfillment by the defendant of the demands set out above, the plaintiff will repay to the defendant JPY\$121 million.

Enclosure: Copy of paragraphs 1 and 2 of the agreement of sale concluded between the parties on 18 Apr 53.

Dated: 5 Oct 53.